GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:464
ANSWERED ON:04.12.2003
ASSISTANCE FOR HASSAN-MANGALORE BROAD GAUGE PROJECT
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railway Ministry has decided to approve a decision of the Railway Board to sanction Rs. 18 crore to the Hassan-Mangalore railway broadgauge project;

(b) if so, whether this was in addition to the Rs. 2 crore that the Ministry had allocated in this year`s budget to the project;

(c) if so, the amount provided so far;

(d) the latest position of this project; and

(e) the time by which this project is likely to be completed?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BASANAGOUDA R. PATIL)

(a) to (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO.464 BY SHRI G.S. BASAV/
TO BE ANSWERED IN LOK SABHA ON 04.12.2003 REGARDING ASSISTANCE FOR HASSAN-MANGALORE BROAD C
PROJECT.

(a) & (b): Arasikere-Hassan-Mangalore gauge conversion project is sanctioned at a cost of Rs.312 crore out of which Rs.179 crore had been incurred upto 31.3.2002. The balance work is being implemented through a Special Purpose Vehicle (SPV) called Hassan-Mangalore Rail Development Co. (HMRDC)The balance cost of the project as on 01.04.2002 including contingency and interest charges is to be funded through Rs.110 crore equity and Rs.40 crore through debt. Ministry of Railways and Government of Karnataka will contribute Rs.45 crore each in the equity of HMRDC, Rs.2 crore will be contributed by K-RIDE (Rail Infrastructure Developmer Company Limited - Karnataka) and balance Rs.18 crore will be contributed by other strategic investors.

(c): An amount of about Rs.42 crore has been spent so far through Railway funds during 2002-03 and 2003-04.

(d) & (e): The gauge conversion of Arasikere-Hassan-Sakleshpur and Kankanadi (Mangalore) to Kabakaputtur has already been completed. The conversion of Kabakaputtur to Subramanya Road is targeted for completion during 2003-04 and balance is expected to be completed during 2004-05. This would however depend upon the provision of funds by the shareholders.